

The American Observer

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe

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Candidates Line up in Republican Race

To Win Election Party Must Recapture Support Lost to Democrats in 1932

LANDON LOOMS AS NOMINEE

Kansas Governor Favored by Most Factions in Party, but Deadlock May Ruin His Chances

During the next six weeks the Republican campaign will occupy the center of attention. There is little interest just now in Democratic politics because of the fact that President Roosevelt's renomination is accepted as a certainty. But there is a lively fight among the Republicans over the choice of a candidate and the adoption of a platform, or set of principles, for which the party will stand. It is worth while, therefore, to examine carefully the Republican position.

Historical Background

In order that we may understand present Republican problems, we should glance briefly at the development of the party, so that we may see where its strength has been during comparatively recent years. From the time of the Civil War until very recently the Republican has been considered the major party in the United States. It has usually carried the national elections. With a few exceptions, it has been able to elect presidents. Normally there have been more Republicans in the country than Democrats.

There have been two principal sources of Republican strength. In the first place, the party has been very strong in the north-eastern states—in New England, the central Atlantic states, and the eastern section of the Middle West. From Illinois to the Atlantic, Republican sentiment has usually prevailed. In this section the manufacturing interests are strong. There are many large employers of labor. This is the center of what is termed the "big business" interests. These business interests have usually been Republican largely because of the fact that the Republicans have traditionally favored a protective tariff. By taxing imports from abroad, they have protected American manufacturers from foreign competition. They have given subsidies to certain other interests, such as shipping companies. For the most part they have kept their hands off other kinds of industry. So manufacturers, bankers, and other businessmen in this region have been predominantly Republican. So have many of the workmen, since they have felt that they would prosper if the manufacturers prospered and could thus furnish them jobs. Businessmen, and those who look to businessmen for guidance, have in the northeastern states been predominantly Republican, and they have ordinarily had enough influence to elect Republican candidates.

The other chief center of Republican strength has been the agricultural Middle West. The farmers of Iowa, Nebraska, the Dakotas, Kansas, and the other central states have been predominantly Republican. This has been because to a great extent they or their parents have migrated from the northeastern states. Since their fathers and grandfathers were Republicans, they have gone in that direction. Furthermore, there has been the general feeling that

(Concluded on page 8)



ENJOYING LIFE AS THE DAYS GO BY—A SCENE IN RURAL ENGLAND

As the Days Go By

Americans are an ambitious people. Most of them are trying hard to succeed and to raise their standards of living. They are optimistic in their belief that better days are ahead. They are anxious to make the future better than the present. This vision of better days to come is so universal among the people of this country that it is sometimes spoken of as "The American Dream." In a way, it is a good thing for people to have these hopes and visions. It drives them forward to achievement and gives a progressive tone to American life. But there is another side to the picture and a less pleasing one. The typical American is so much concerned about his future that he doesn't enjoy the present. He is inclined to think of his present situation as something that he should get out of just as quickly as possible. Even if he is succeeding, he is thinking of the better future he thinks he is building. He is restless and unsatisfied, ever sacrificing the possibility of enjoying the present in order that he may prepare to enjoy life after a while. Always the time of enjoyment and satisfaction is fixed somewhere in the future. He is to settle down in contentment tomorrow—and tomorrow never comes.

Many foreign peoples have a very different psychology. The English have, and so have the French. These people are not so hopeful of the future as Americans are. They do not expect that life will be particularly better tomorrow than it is today. They do not accept it as a matter of course that their children will be better off than they are. The notion of progress is not so firmly planted in their minds. They are less ambitious than Americans; less concerned about the future. The present state of things is not something to get away from but something to accept, appreciate, and enjoy. The typical Englishman isn't thinking that after a while he will make a lot of money; sell his little house and build a larger one. He assumes that he must live in his little house as long as he lives, just as, perhaps, his parents and grandparents have done before him. So he settles down to make the most of his situation. He beautifies the house and yard. He cultivates his fields and gardens with care; almost with affectionate care. Whatever the future may bring, he finds the present worth while. Each day is something to make the most of; something to enjoy.

There is a greater tendency to restlessness in this country; a greater tendency to stake everything on the future rather than to see what can be done with the present. This is a weakness which we would do well to correct. We need not be improvident, heedless of the future. But each individual, if he is ever to be happy, must learn to find his happiness as he goes along. Without giving up our plans for improvement, we must learn to be more composed, and to enjoy the experiences which unfold as the days go by.

League Rebuffed by New Italian Demands

Admits Failure to Halt War and Seizure of Ethiopia. Sanctions Prove Futile

ATTENTION TURNS TO PARIS

Whole Situation Will Be Greatly Affected by Outcome of French Parliament Elections

Events in Europe may soon lead to a showdown—a showdown for the British, for the French, and especially for the League of Nations. Despite all the attempts that have been made to bring to an end the war between Italy and Ethiopia in such a way as to save the face of all parties which have become mixed up with it, there has been utter failure. The League of Nations committee, which has been charged with this almost impossible task, has had to admit defeat. It has officially reported to the Council that its efforts have been in vain. In all the League's not too happy history never had it received such a slap in the face as that which Benito Mussolini gave it when he flatly refused to listen to its peace proposals and told it that he would do as he pleased in Ethiopia, and the League could take it or leave it.

Rebuff to League

In brief, Mussolini's reply to the League's insistence that the war in Africa be brought to a close was so heavily laden with conditions that it meant a complete defeat for the international organization which was created for the purpose of preserving world peace. Peace negotiations between Italy and Ethiopia, he insisted, must be carried on directly between the two countries, without interference from the League. They must take place outside of Geneva. For the moment, Italy will not cease fighting in Ethiopia, and the question of an armistice must be arranged between Marshal Badoglio, head of the Italian army in Ethiopia, and the Ethiopians, and if such an armistice is arranged the Ethiopians must agree not to reorganize their armed forces, which have fallen upon evil days under the heavy battering of the Italians. The only sop that was handed to the League was the innocuous proposal that the peace treaty would be submitted to the League of Nations.

Thus the League has been openly defied by Mussolini. And it is not difficult to see why the Italian dictator was able to fix his own terms and get away with it. Events of the last few weeks have played directly into his hands. On the military side, he has astonished the world by bringing Ethiopia to its knees. After having spent weeks and months accomplishing practically nothing at the front, his forces have suddenly captured stronghold after stronghold until they were within striking distance of the capital, Addis Ababa. It is likely that by the time this issue of THE AMERICAN OBSERVER reaches its readers, they will have captured the capital city. It is not the custom of conquerors to throw away their victories and listen to moderate peace proposals.

On the diplomatic side, Mussolini's hand has been considerably strengthened by the Rhineland crisis which has thrown all Europe into turmoil. As we pointed out in our article last week, Hitler's latest move has served to separate France and England—already by no means united—until a



WE'LL MAKE A DIRECT AGREEMENT. THANK YOU
—Elderman in Washington Post

great deal of resentment has arisen between them. England, because of her stake in Ethiopia and her desire to control the Mediterranean and the sea routes to her possessions in the Orient, has all along been opposed to the Italian campaign in Africa and has been the leader among nations seeking to hold Italy in check by the imposition of sanctions. She was able to drag France along, but the French have never been enthusiastic about the sanctions program and have given only lukewarm support.

On their own side, the French have been hesitant about offending the Italians, for they have wanted to hold Italian support in case of a future crisis with Germany. When the storm broke last month with the reoccupation of the Rhineland, they were even less enthusiastic about a strong stand against Italy and have been less willing to support the British. All this has served to help Mussolini on the diplomatic front, for without unity among the leading members, the League of Nations has been able to place only half-hearted opposition in his way.

The Next Step?

Thus for the moment, the worst has come to the worst. The League has been taken back by Mussolini's open defiance and truculent attitude. British diplomacy has suffered the most severe setback it has received in many a year. And France has still failed to receive the absolute guarantees she wants in case of aggression by Germany. What is the next move? What can the League do now that it has failed to accomplish the thing on which it risked so much? And how are the British officials going to explain away this defeat to their people, among whom feeling against Italian aggression has risen to a very high pitch?

In the first place, the League can go ahead and attempt to cripple Italy by laying even heavier sanctions upon her. It can impose an oil embargo—a proposal which has been up and down for many weeks. But it is not very likely that the French would lend their support to such a proposition now, as they have opposed it all along. Moreover, enthusiasm for further sanctions has considerably cooled in other countries, for it has been shown that they have had little effect in curbing the Italians in Ethiopia. Since three of the world's most powerful nations—the United States, Germany, and Japan—are not members of the League, it is difficult to make such a program effective. It has been pointed out that these nations, especially the United States and Germany, have been supplying Italy with many of the war materials, such as rubber and nickel, that have been denied her by the sanctionist powers, and have purchased more Italian goods in order to make payments easier. With this situation, it would be extremely risky to impose an oil embargo, because Italy could probably obtain all the oil she wanted from the United States.

It does not seem likely, therefore, that the League will risk a further loss of prestige

by tightening the sanctions only to find them ineffective. At any rate, the question will not be considered by the League Council until May 11, as the French have stalled discussion until that time. They have said that they could do nothing until after the elections for new members of the Chamber of Deputies, which are to be held April 26 and May 3. French foreign policy, as it applies to both Italy and Germany, will be up in the air until after that date. But more of that a little later.

British Dilemma

It is the British who are confronted by the most delicate situation. They have staked a great deal on preventing the conquest of Ethiopia by Italy. They have swung the League into the strongest action it has ever taken against an aggressor. The British people are more strongly behind the League than the people of any country, and if

Italy is allowed to go ahead and dictate her own peace, the League will have been dealt a blow from which it may never recover. The reaction to this among the people would probably be very strong, just as it was a few months ago when it appeared that Britain and France, through the Hoare-Laval peace proposal, were selling out to Italy. The British government must, therefore, try to find some way to save the League's face, although how that might be accomplished is not clear at the moment.

On the other hand, British leaders know that if they are to do anything to stop Mussolini at this late date, strong medicine will be necessary. It is extremely doubtful whether any sanctions would do the trick. Possibly the only course would be to close the Suez Canal to prevent communication between Italy and the war front. But to close the Suez Canal would undoubtedly lead to war between Britain and Italy, and that is one thing the British government does not want to happen. However strongly the British people may feel about the League and Italy's aggression in Africa, they are even more determined that there shall be no war. Thus the government is in a serious dilemma, and it will have to do a great deal of explaining in order to satisfy the voters.

French Elections

For the moment, however, the principal interest has shifted to France. Paris has become the pivotal capital of Europe, and upon developments there during the next few weeks will probably depend the future fate of Europe, as it concerns both Italy and Germany. At all the recent negotiations over the Ethiopian dispute, such as the question of tightening the sanctions against Italy, French diplomats have made it clear that they can take no

definite action until after the Chamber of Deputies elections. It is for that reason that consideration of the whole matter has been postponed until May 11, when the results of the elections will have become clear. Meanwhile, it is expected that no attempt will be made to modify the sanctions program, either by tightening or loosening them.

It is no exaggeration to say that the French elections are the most important to be held since the establishment of the French republic in 1871. The issues are of vital concern to the people, not only so far as domestic policies are concerned but also in the foreign field. In many respects, the situation in France is unique, for the entire country is more sharply divided into two opposing camps than it has been at any time. Instead of dozens of parties, each with its own program, there are two main groups or coalitions behind which the voters are falling.

On the one hand, there are the so-called fascist groups, or the Right, or conservative parties. The Right is led by the now famous Croix de Feu, the members of which were the ringleaders in the riots of February 6, 1934, which shook the very foundations of the republic. There are, of course, other groups with similar aims. Although all these groups and parties maintain that they are not fascists, their programs and recommendations bear a striking similarity to those of Hitler and Mussolini before these men assumed power. They are extremely nationalistic, want the power of the state strengthened, urge the abolition of parliamentary government and the political parties. They speak of the regeneration of the simple virtues of the French people. If this is not fascism, it is difficult to see what fascism is.

Popular Front

Bitterly opposed to these Right groups are the parties of the Left, which have joined together to form the Popular Front. The Popular Front is not a political party, but a loose organization which was formed after the February 1934 crisis to prevent the rise of fascism. It is composed of Communists, Socialists, liberals (such as members of the Radical Socialist party, the largest in the last Chamber of Deputies) whose views might be compared to those of Senator Norris in this country. Intellectual and civic groups have lent it their support. The Popular Front is determined to break the economic control which 200 leading families exercise over France, and to institute reforms which will benefit the lower middle class and the workers. But its main purpose remains to prevent the Right groups from coming into power and establishing a dictatorship. Its slogans are such as these: "They [the fascists] shall not pass!" and "France will not submit to the humiliation of dictatorship."

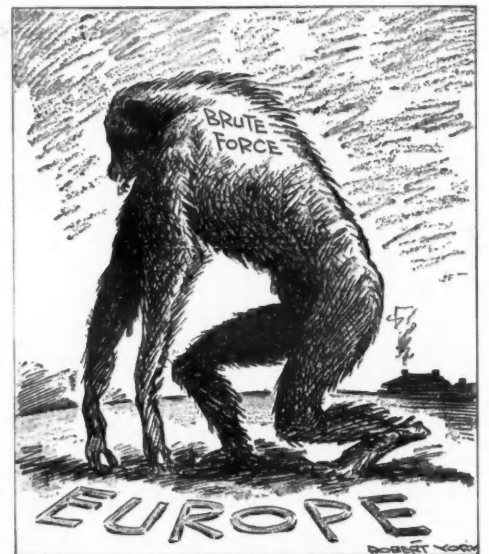
Now, it makes a great deal of difference which of these groups is victorious in the elections. The Right groups have used the Rhineland crisis to frighten the masses into supporting them. Having aims similar to those of the Nazis, they might be expected to be more conciliatory toward Germany and thus prevent the present delicate situation from turning into war. Such a victory would certainly lead to a cooling in the relations between France and Soviet Russia because these Right groups consider the Communists their bitterest enemies. In all probability, there would be less sympathy toward the British.

If the parties of the Left win the election, an entirely different foreign policy may be expected. They would

stand bitterly opposed to Germany because of their hatred of fascism and because of their fear of German domination of Europe. They would certainly continue close cooperation with Russia as the best means of keeping Germany down, and would work in closer harmony with the British government in order to maintain peace in Europe. It is possible that they would nationalize certain of the French industries, and in such a case, they would prevent the shipment of minerals and other materials to Germany. During recent times, the exports of ores from Lorraine to Germany has increased manyfold. The Left groups are opposed to such practices, and if given political power, would probably seek to stop them.

The Future

Had not the Rhineland crisis developed, a victory for the Popular Front was considered certain. The common French people—the peasants and workers and professional groups—distrust the aims of the fascists. As M. E. Ravage points out in a recent article in *Harpers*, "all that interests them (the masses) is that the



THE REAL DICTATOR

—York in Nashville Banner

concentration camps and all the rest of the shame and horror visited upon the German people shall not be imported into France." Whether the tactics of the Right in instilling fear in the hearts of the people will be successful will be known only after all the ballots have been counted.

Although a victory of the Left would result in stiffer opposition to Germany, it is doubtful whether it would result in thwarting either Mussolini or Hitler in what they have already accomplished. Short of war, the Italians are not going to relinquish their gains in Ethiopia and without the use of force it is not likely that Hitler will evacuate the Rhineland. But even so, the future will be governed largely by the outcome of the French elections, for the answer to the question whether France will continue to dominate the European scene or Germany rise to a position of greater power will be given by the groups which succeed in winning the support of the French people. Thus it is a critical moment in the history of Europe as the people of France decide the most vital issues by which they have been confronted since the World War.

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"HEIGH-HO!—THE FARMER'S IN THE DELL"

—Merben in Miami Daily News



AROUND THE WORLD



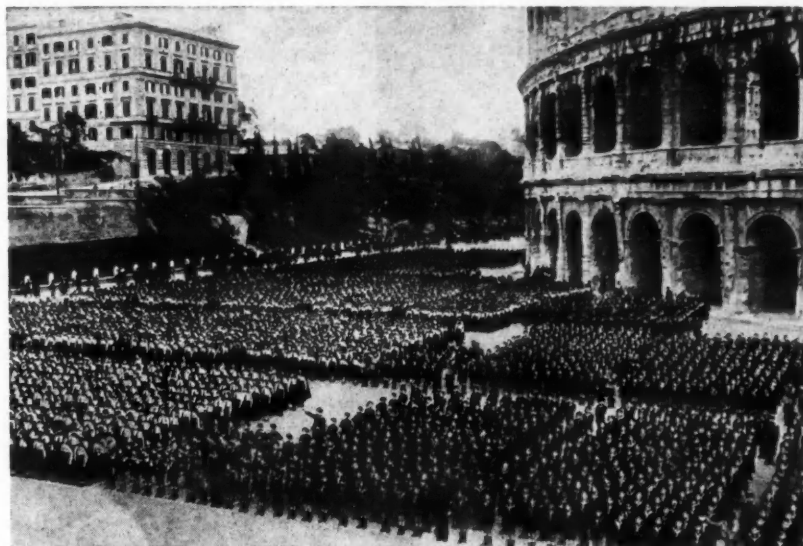
Argentina: No conference, in recent years, has met with such a happy welcome as the one which has been suggested by President Roosevelt for insuring peace in the western hemisphere. Last week we reported that three Latin American republics had formally accepted the President's invitation to attend the conference and had submitted proposals of their own for setting up a League of Nations for the two American continents. Further suggestions have now come from Argentina. Stating that President Roosevelt's "good neighbor" policy had contributed much to Pan-American relations, Carlos Saavedra Lamas, Argentine minister for foreign affairs, indicated his country's intention to participate in the conference and presented a program to be discussed by the delegates. Dr. Lamas would have all nations condemn aggression by any one of them, do away with intervention on the part of one people into the affairs of another, and outlaw forever the use of force in the settlement of disputes.

This statesman discussed the possibility of invoking sanctions against any nation violating a treaty, but he himself doubted whether that would be effective, inasmuch as sanctions invoked by the League of Nations failed to stop the Italo-Ethiopian war. He is, however, of the opinion that sanctions would not be necessary. Realizing that most wars have an economic basis, he has made a sweeping recommendation for a tariff truce for a period of five years. In this way, there would be free movement of trade between the American peoples, resulting in a benefit to all of them and removing many difficulties.

All these issues have now been submitted to a committee which will study them and prepare its report by May 2. This report will then be submitted to all the American republics and the conference will be prepared to begin its work.

* * *

Canada: For some time there have been persistent rumors that President Roosevelt would visit Canada in the near future. These rumors have, as yet, not been confirmed but most observers are of the opinion that the visit will certainly take place. Their belief is based upon several developments. Late last year, Canada and the United States concluded a trade agreement and it is felt that nothing would more strongly cement the friendship already existing between these two countries than a



TEN YEARS OF THE "BALILLA"

The Balilla is the name of the Italian youth organization through which the Fascist state brings the young boys of the nation under its control. Mussolini founded it 10 years ago.

© Wide World

personal appearance of the President in Canada. Moreover, the tense situation in Europe is making the nations of the western hemisphere more wary than ever. None of them wishes to be involved in an overseas war. They all, therefore, feel that they must take concerted action to remain neutral. Above all, they note the necessity of keeping peace among themselves. One step in this direction is the proposed inter-American peace conference to be held this summer at Buenos Aires. In addition to insuring peace among themselves, this conference would seek some means of keeping the American republics neutral in the event of a European outbreak.

But this conference does not include Canada. That country is in a somewhat peculiar position. As a part of the British Commonwealth of Nations, she undoubtedly has some interest in the future of Britain. If England should be dragged into war, would Canada be forced to come to her aid? This is a grave problem. And might not the inclusion of Canada in a war result also in involving other American nations? It is these questions which need to be threshed out. It is believed that if President Roosevelt were to visit Canada he might be able to suggest some solution to Canadian statesmen and to impress upon them the need for united opposition to war by all American peoples.

* * *

Turkey: Following upon the heels of Hitler's denunciation of the Locarno pact is the announcement by Turkey that she is dissatisfied with the Treaty of Lausanne and seeks its revision. By the terms of this treaty, which was signed in 1923, Turkey was prevented from fortifying the Dardanelles, a neck of water hemmed in on both sides by Turkish territory and connecting the Mediterranean with the Sea of Marmora. At the time the Turkish republic agreed to this treaty, all was quiet in Europe. There seemed to be no threat of war and the decision to leave the Dardanelles unguarded was accepted by the Turkish people. But now, they claim, the situation is different. Europe is disturbed and unless they are able to fortify this strait, they will be in danger.

It is reported that Mustapha Kemal Ataturk, the Turkish dictator, has already sent troops into the regions bordering the Dardanelles. This report, however, has been officially denied. It ap-

pears unlikely that Turkey would immediately carry out fortifications. In the first place, she is unwilling to create the impression that she does not abide by international treaties. What is even more important, Turkey does not need recourse to the method used by Germany in simply tearing up a treaty. The League powers have continuously maintained that they are willing to lend a sympathetic ear to the revision of an agreement, if it were shown that such a change had become necessary. Now they cannot refuse to comply with Turkey's demands. For this country has taken a peaceful way of obtaining what she desires. She has followed the proper course of international law by sending a request to the nations concerned, in order to obtain their approval. She can thus be confident of both gaining her objective and yet remaining in the good faith of other peoples.

* * *

Japan: More and more, during recent years, there has been talk of the tension existing between the United States and Japan. Only a short while ago, Chairman Pittman of the Senate Foreign Relations Committee denounced Japan and spoke of the necessity of preparing for a war with her. His words were regarded among the Japanese as most indiscreet and provocative of hate and jealousy between these two nations. The Japanese believe that there is really no reason for this tension and this continued state of misunderstanding. They maintain that our country fails to appreciate the problems facing them and that Japan has not been accorded proper respect by our own government.

These views are expressed almost daily in the Japanese press. And in order to give Americans an opportunity to understand the Japanese point of view, William Henry Chamberlin has been writing a series of articles in the *Christian Science Monitor*, in which he gathers editorials appearing in Japanese newspapers.

From these excerpts it is possible to summarize the Japanese attitude in the following way. The United States must look upon Japanese expansion in the same way that she regarded her own expansion into the western part of the American continent and into Latin America. If it was right for the United States to claim exclusive protection over the western hemisphere, as she did under the Monroe Doctrine, then Japan is equally justified in showing the same concern with what is happening on the Asian mainland. If the United States is really interested in having the world maintain peace, why does she not treat sister nations with respect and esteem? Was it necessary, say the Japa-

nese newspapers, to discriminate against Japan by passing the Japanese exclusion act and thus branding all Japanese as undesirable immigrants?

It is such questions that trouble the Japanese. They feel that the United States is in large part responsible for the misunderstandings that exist between the two nations.

* * *

Mexico: Several years ago, an American consul in the Yucatan peninsula in Mexico hired men to drag an ancient well, called the Sacred Well of Chichen-Itza. Out of the muddied waters a storehouse of treasures was brought up—precious jade, delicately carved; gold beaten into fantastic shapes; pearls and a myriad of colored jewels.

They bore witness to a rich, though ancient civilization. And they re-created for historians the religious rites practiced by the Mayans. It was during festivals that the old inhabitants of Mexico would gather at this well and do worship to their gods. From out of the hills and the plains they would come, bearing with them young handsome boys and maidens of striking beauty, adorned with tiaras and trinkets of rare worth. Then a priest would approach the young boys and maidens destined for the sacrifice, carve out their hearts, and while these yet beat, throw their bodies into the well.

Of this colorful and, to us, tragic rite, all that has remained are the treasures found in the sacred well by the American consul. Realizing the interest they would evoke, he brought them to the United States where they have been on exhibition in various American museums. But the Mexican



—From the Christian Science Monitor
CONFERENCE CHAIRMAN

Dr. Carlos Saavedra Lamas, Argentine foreign minister, who will most likely officiate at the meeting of American nations to be held in Buenos Aires.

government feels that the treasures rightly belong in Mexico, and steps have been taken to return them to their proper home. They will take their place in the Mexican National Museum beside the equally renowned Monte Alban jewels.

* * *

With Plutarco Elias Calles exiled, Mexico has once more become calm and President Cardenas now feels himself in a position to carry through, without opposition, the many reforms he has been seeking.

* * *

The German ambassador to Great Britain, Dr. Leopold von Hoesch, died suddenly in London. Regarded as a statesman who was moderate and cautious, his passing is being regretted as a blow to Anglo-German relations.



—By Johnson
THE DARDANELLES



CORNERSTONE LAYERS

Secretary Ickes, using the same trowel employed by George Washington to lay the cornerstone of the Capitol in 1793, finishes off the ceremony incidental to the dedication of the new Department of Interior Building started by President Roosevelt.

© Harris and Ewing

Roosevelt Proposes

The President's address at Baltimore was the first speech of the campaign in which he set forth a definite program. It was especially designed to win the support of the nine million youthful voters who will cast their ballots next November for the first time in their lives.

To put an end to unemployment, youth's most immediate problem today, the President offered a plan, (1) to make more jobs by forbidding all those under 18 and all those over 65 years of age to work; (2) to make more jobs by shortening the working hours of those that exist; (3) to make this measure effective by keeping wages at least as high as they are, and thus; (4) to increase purchasing power and distribute it more widely throughout the nation.

Hoover Replies

Herbert Hoover, whose speeches this year have taken on a sudden liveliness against the New Deal and in defense of his former Republican administration, found much to criticize in President Roosevelt's Baltimore address. Looking at the unemployment problem from the standpoint of the employers and businessmen, he prophesied that if working hours were reduced without reducing wages, the cost of production would increase, forcing manufacturers and employers to increase the price of their products. Consumption would then decrease, production fall off, jobs be lost.

Instead, he offered his program, which well represents the conservative Republican point of view: (1) to balance the budget by reducing government expenses; (2) to revalue the dollar on its former gold basis; (3) to stop all other threats of inflation, meaning by "inflation" an increase in money values without a corresponding increase in the production of goods and services, and thus; (4) to give manufacturers and businessmen enough confidence in the future to enable them to put the unemployed to work in private business.

For the Unemployed

By a majority of five judges to two, the Court of Appeals of New York has ruled that the state's unemployment insurance law did not violate either federal or state constitutions. The law was passed by the New York legislature in accordance with the Federal Social Security Act. According to Chief Justice Frederick E. Crane, the legislature had used its power to pass a law to meet "a growing peril to a large number of our fellow citizens." He declared, "It would be a strange sort of government, in fact, no government at all, which would not give help in such trouble."

According to the New York law, all employers of four or more persons must contribute to the state unemployment fund one per cent of their 1936 payrolls, two per cent in 1937, three per cent thereafter. Any unemployed person who has worked at least 90 days in the preceding 12 months may, after a period of three weeks, collect not more than \$15 nor less than \$5 a week for not more than

16 weeks in any year. Nonmanual workers who earn more than \$50 a week, government employees, employees of religious, charitable, scientific, or educational nonprofit organizations, cannot receive benefits under the law. Payments out of the fund will begin in New York state on January 1, 1938.

"I can see nothing unreasonable or unconstitutional in the legislative act which seeks to meet the evils and dangers of unemployment in the future by raising a fund through taxation of employers generally," writes Chief Justice Crane. By setting the stamp of judicial approval on the principal of unemployment insurance, this decision is expected to stimulate other states to follow New York's example in putting one of the most important of New Deal measures into effect. New Deal economists believe that workers sure of state support in times of unemployment will save less, buy more goods and services, and increase national prosperity.

Strife in Congress

The most important power wielded by the House of Representatives is its power to introduce all bills to raise money. How this power can be used as a club to beat the Senate was shown last week when the House refused to vote \$10,000 to enable the Senate's Lobby Committee to carry on its legal battle against William Randolph Hearst, newspaper owner.

The District of Columbia's Supreme Court ruled that it does not have the power to tell a Senate committee what to do and what not to do. The court refused to order the committee not to use telegrams sent by Mr. Hearst to his editors as evidence in its investigation of lobbying. Mr. Hearst, arguing that the committee's action deprives him of his constitutional right of "freedom from unwarranted search and seizure," plans to appeal to



LOUIS McHENRY HOWE © U. & U.

Who was probably the closest friend of President Roosevelt as well as his secretary and intimate adviser for a period of 25 years.

The Week in the

What the American People

the Supreme Court of the United States. The Lobby Committee, headed by Senator Black, needs the \$10,000 to fight the appeal.

Distrust between the two houses of Congress seems to have been the chief reason why the congressmen decided not to support the Senate committee. The representatives thought that Senator Black's committee was trying to injure the reputations of some of the members of the House—several of whom have been placed in an unfavorable light through revelation by the Black committee of their associations with lobbyists.

Projects Without Dollars

Last year many millions of relief dollars were set aside by President Roosevelt to build a dam at Passamaquoddy, Maine, and to dig a canal across the top of Florida. The first project was to provide electric power by harnessing the tides. The second was to shorten the trip between the Atlantic Ocean and the Gulf of Mexico. Last week President Roosevelt announced that he would spend no more of the government's money under his control for these two projects.

The Quoddy Dam and the Florida Canal together would have cost at least 161 millions of dollars. About 10 million dollars of this has already been spent in Maine and Florida, or will be spent if the government fulfills its contracts.

By refusing to continue to support these proj-



THE NEW MAHOUT

—Carmack in Christian Science Monitor

ects with money voted for relief, the President put an end to criticism in both houses of Congress. Republicans had long been saying that the President had no business launching such huge construction jobs without first obtaining congressional approval. Such power, they said, belongs to Congress alone. Other critics had declared that the expensive Quoddy project would not be able to sell all the electricity that it produced and that the Florida Canal would increase, rather than decrease, the costs of shipping into the Gulf of Mexico.

Political Ammunition

In the months before a national election, opposing politicians tend to seize on all facts, figures, ideas, and events as possible ammunition in the struggle to win the nation's confidence. For such political ammunition Senator Vandenberg was undoubtedly searching when he asked Secretary of Agriculture Wallace for the names and addresses of all farmers who received more than \$10,000 from the AAA for limiting their production. The Republican senator from Michigan knew that the printing of such names, together with the amounts they received, would give the impression that the Democrats were helping the rich men more than the poor.

As the Senate pressed forward with the Vandenberg resolution, Secretary Wallace hesi-

tated but finally released figures showing the large size of benefit payments to some producers of cotton, wheat, hogs, tobacco, rice, and sugar. He then declared, "The fact that some payments are much larger than others was directly and entirely due to the extent to which control of farm and producing facilities had fallen into the hands of corporations, absentee owners and large operators." The situation, he added, is being cured by the administration's adjustment programs.

Secretary Wallace's report satisfied neither Republican senators searching for ammunition nor newspapermen searching for facts which had suddenly become news. In the midst of the resulting hue and cry, the farm administration found that certain papers showing large benefit payments in the past were missing from its files. Secretary Wallace immediately began to hasten the work of the Vandenberg committee. He further announced that (1) the secretary of agriculture hereafter has the right to veto any payments to farmers even though eligible, (2) the AAA will cut down



EVEN HERCULES NEEDED MORE THAN A BRON

—Elderman in Washington Post

somewhat on payments to large operators and make it possible for more small producers and tenant farmers to benefit from the AAA program.

Judge Ritter

The United States Senate, sitting as a court of impeachment, has found Federal Judge Halsted L. Ritter, of Florida, guilty of "high crimes and misdemeanors in office." Tried on seven charges, the judge was acquitted on the first six, which ranged from unlawful acceptance of money from a former law partner to evasion of income tax. But he was convicted on the seventh charge, which summarized the first six and held that the probable consequence of the judge's behavior would be "to bring his court into scandal and disrepute, to the prejudice of said court and public confidence in the administration of justice therein and to the prejudice of public respect for and confidence in the federal judiciary, and to render him unfit to continue to serve as judge." Fifty-six senators, exactly two-thirds of those present, voted for the conviction.

This was the thirteenth impeachment of a high civil officer in the history of the United States. Six of those tried were acquitted; three cases were not voted on, and four (Judges John W. Pickering in 1804, West B. Humphreys in 1862, Robert W. Archibald in 1913, and Halsted W. Ritter in 1936) resulted in convictions.

Impeachment procedure is outlined in the Constitution. The House of Representatives brings the accusation, the Senate tries the case and determines guilt. There is no appeal from the Senate's verdict.

The Ritter case made the Senate take 10 days from its regular business. On Capitol Hill soon after the trial, many congressmen

United States

Doing, Saying, and Thinking

g began talking about plans for simplifying the present cumbersome and expensive procedure. One suggestion favored a Senate commission of 10 members to hear testimony and submit a finding which would then be voted upon by the entire chamber. Another senator suggested that a panel of senior circuit judges be empowered to hear charges against a district judge, with a final appeal allowed to the Supreme Court. It is fairly likely that a less complicated mechanism for impeachment would bring to trial more federal judges who have been suspected in different parts of the country of various misdeeds, especially the awarding of receiverships of their friends.

Friend and Counselor

Louis McHenry Howe, secretary to President Roosevelt and for many years his closest political adviser, died in Washington after an illness of several months. Though he rarely appeared in the news, Mr. Howe played a

zone, but in 1930, the figure had increased to 54 per cent, and the number of incorporated towns in the area had more than tripled.

Some sociologists have called this tendency to push on into new frontiers a manifestation of the "pioneer" spirit. Others observe that the city must now give police and fire protection to an ever-expanding area. And still others feel that the city should, now that expansion has been so extensive, concentrate on improving living conditions for those who still inhabit the crowded urban sections.

Bonus Bonds

Over 2,700,000 veterans have already applied for their bonus bonds, while more than 1,200,000 others have not yet turned in their applications. But the treasury will be prepared to distribute the maximum of \$2,000,000,000 on June 15, the due date. The average amount for each veteran will be about \$491; this will be paid in \$50 cashable bonds and in treasury checks for amounts less than \$50.

Government presses have been busy rolling out the neat green bonds, which bear a portrait of the soldier-president, Andrew Jackson. It was thought, when the bonus bill passed through Congress in January, that the clerical and mechanical work necessary for the paying out of so much money could not be completed by June 15, but Henry Morgenthau, secretary of the treasury, has announced that everything will be ready on time. About 38-



NEW VACATION POSSIBILITIES

—Brown in N. Y. Herald-Tribune

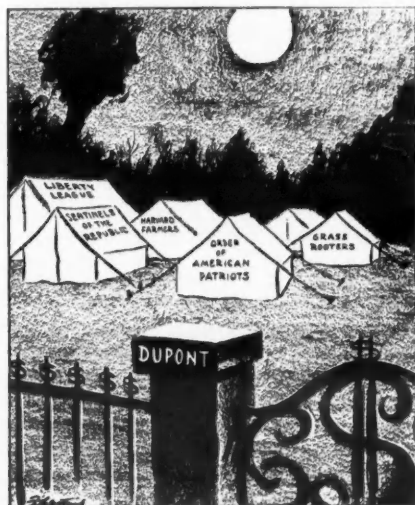
very important part in shaping the President's career ever since Mr. Roosevelt was a young state senator in New York. As Mr. Roosevelt progressed politically from one office to another, Mr. Howe followed faithfully, guiding and planning for the future.

Physically, Mr. Howe was a small, slight and retiring man, who, in describing himself unflatteringly, once said: "I resemble a medieval gnome." But he has had few equals in political shrewdness, acumen, and devotion. On January 15, 1935, when Mr. Howe was 64 years old, and ill with the chest and heart ailment that later resulted in his death, the New York Times said in its editorial columns that

... he has been eyes and ears for his chief. He has steered away bores. He has kept undesirable such as money-changers away from the presence. He has had his preferred list, as even good men must sometimes. He has collected opinions about the administration. He has answered questions. He has been consulted as an oracle. In the debauch of the alphabet, it has been impossible for even the most industrious accumulator of information always to know correctly what he thinks he knows. But Mr. Howe has done wonders. If at times he has a touch of acidity, it is often redeemed by a sense of humor. He has no hankering for publicity. His devotion to Mr. Roosevelt is unflinching. His labors have injured his health. Congratulating him today, we can only wish that he may be as hearty as he is shrewd.

Leaving Chicago

Chicago's population seems to be moving from the center of the city out into the suburbs. A recent study made at the University of Chicago by Dr. Louis Wirth, associate professor of sociology, and his assistant, Richard O. Lang, shows a considerable movement during the last 40 years into a 15-mile zone just outside the city limits. In 1890, only 22 per cent of the region's population lived in this



"TENTING TONIGHT ON THE OLD CAMP GROUND"

—Fitzpatrick in St. Louis Post-Dispatch

000,000 bonds have been printed, but, of course, there is no way of knowing whether all of these will be used in the near future.

The bonds may be converted into cash by the veterans at any one of 300 post offices throughout the country. But if the bonds are held as an investment, they will bear interest at the rate of three per cent; with this feature in mind, veterans' organizations have been advising their members to hold onto the bonds as long as possible.

A Health Code

The United States Public Health Service has just announced the appointment of eight well-known health officers who will aid in preparing a standard public health code. Such a code "will enable each city to draw from all other cities their experiences in the application of health codes," and "every community will have before it a model that has resulted from group and national judgment, giving it a much sounder position."

Thirty-eight cities in all parts of the nation have been invited to cooperate with the federal advisory board and to take part in the work of formulating a health code on a national basis. One of the first problems to be faced will be the standardization of codes in these key cities. The following headings are being considered in a tentative draft: organi-



THE APPROACHING STORM

One of the best of the many pictures which have been taken of dust storms. It was snapped by an amateur photographer in Kansas who, a few moments later, had to feel his way back to town.

zation, control of cases of communicable diseases, control of environment, reports and records on birth morbidity and birth mortality, and education and publicity.

In connection with this public health announcement, students will be interested in reading "Why Keep Them Alive?" (New York: Harcourt, Brace and Company, \$3.), a book by Paul de Kruif that was published only a few weeks ago.

The Hindenburg

The overhauling of the four Diesel motors of the dirigible *Hindenburg* will be completed in time for the zeppelin to make her first flight to the United States on May 6. Dr. Hugo Eckener will be in command, despite his recent run-in with Nazi officials because he opposed the use of the airship for electioneering purposes.

The *Hindenburg* will carry a full quota of passengers and crew, numbering 100 persons. This trip and several later ones will be used as test flights to determine whether a regular airline across the Atlantic between Europe and North America can be established. Over the South Atlantic route, Germany has operated for several years with both airships and airplanes. The United States has successfully spanned an even longer distance over the Pacific. And France and England have been working recently on tests for transatlantic airlines of their own.

That airplanes as well as airships may soon be flying regularly over the North Atlantic was indicated by the German Lufthansa's recent announcement that it is completing preparations for trial airplane flights across the North Atlantic in August. The small hydroplanes will carry mail and express, but no passengers, and will be serviced, refueled, and sped on their way in mid-ocean by the catapult ship method that Germany has employed in the South Atlantic for the last two years.



G. O. P. BRAINTRUSTER

Dr. Olin Glenn Saxon, professor of business administration at Yale, who heads the new Republican Brain Trust.

Congressional Speed-Up

Congressional leaders are hoping for the adjournment of Congress before June 1. Standing in the way of a speedy adjournment are two very debatable subjects: (1) the administration's tax program, and (2) the Second Deficiency Bill which, among other items, contains the appropriation for relief.

The Ways and Means subcommittee of the House of Representatives finished its work on the tax bill. The bill was then reported from the subcommittee to the full committee and then called up in the House by Ways and Means Chairman Doughton who made an agreement with the Republicans to shorten the hours of general debate. By thus hastening their action, House leaders hoped to pass the tax bill on to the Senate within a week after its arrival in the House.

The course of this tax bill furnishes another illustration of how the serious work of government is more and more coming to be done in committees and subcommittees rather than on the floor of the House or Senate.

In Brief

In pleading for the adoption of the Child Labor Amendment to the Constitution, the National Child Labor Committee has pointed out that the serious competition given by the South to northern industry is due to the widespread use of child labor in southern states. It is claimed that the employment of children tends to reduce standards of living everywhere.

The Hubbard Medal of the National Geographic Society has been awarded to Lincoln Ellsworth in recognition of his explorations in the Antarctic.

A fiber, one-third the thickness of natural silk, has been developed at the du Pont laboratories, according to an announcement made at a meeting of the American Chemical Society.

Names in the News

Bernard Main de Bossiere, French Boy Scout who won a 10-day trip to America as a prize in a scouting contest, has just sailed for home. While in this country, the 15-year-old boy saw "most everything worth seeing," slept in the White House, held \$200,000,000 worth of bills in his hand, interviewed J. Edgar Hoover, and visited Cardinal Hayes.

Clarence Darrow, famous lawyer, recently celebrated his 79th birthday. "At 20," said Mr. Darrow, "a man is full of fight and hope. He wants to reform the world. When he's 79, he still wants to reform the world, but he knows he can't."

Henry Horner, governor of Illinois, defeated Dr. Herman N. Bundesen in the primary battle for Democratic nomination for the governorship. Dr. Bundesen had Democratic organization support and carried Cook County (Chicago) by a large plurality, but the downstate precincts gave the present governor more than enough votes to put him on top.

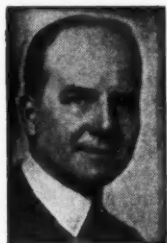
Historical Backgrounds

By David S. Muzzey and Paul D. Miller

America's Entry into the World War

WITH the shadow of war darkening over Europe there is increasing interest and concern over the part which the United States is to play in the conflict if—as the “observers” predict—it eventually breaks out. Shall we repeat the experience of 1914 and the years after and drift into another maelstrom? Or shall we, wiser with the years, succeed in keeping our backs turned on the beckoning battlefields beyond the seas?

That these questions weigh heavily upon the minds of the American people is amply evidenced by the continuous attention which the problem of war is receiving. Mountains of literature are being poured out on the subject; congressional investigations have turned the white light of publicity on the activities of munitions makers and war financiers;



DAVID S. MUZZEY

and a law, designed to preserve our neutrality in the future, has been placed upon the statute books. The object of all these discussions, inquiries, and actions has been the same: to unravel the curious scheme of events which drew the United States into a foreign war and to devise ways and means to prevent their recurrence.

To say that the attempts have been universally successful would be more than an exaggeration. The causes of war lie deep, and the cure perhaps deeper. Despite all our efforts to learn the truth, the reasons underlying our entry into the war still remain complex and confused. There are those who say it was one thing which was principally responsible for our declaration of war against Germany, and there are those who say it was another. No one is certain beyond possibility of refutation.

Trade and Loans

For example, there is the large school of thought which holds that it was American trade with warring powers which was the cause of all the trouble. The arguments advanced by this group have been hashed and rehashed. It is pointed out that when the war broke out in 1914 the United States was in the throes of a mild depression. War orders came along and with them the bounding tide of prosperity. The war became a matter of paramount interest to American business; the United States came to have an economic stake in the war. And it so happened that it was a one-sided stake, for the British, anxious to tighten the noose around Germany's neck, did not hesitate to prevent ships carrying American goods from reaching German ports. It became impossible to trade with Germany, but owing to the simple geographical fact that Britain and her allies lay between Germany and the United States, it was quite possible to carry on a thriving trade with them. Thus, it became to our interest not only to trade, but to promote the success of the Allied nations which did the bulk of the purchasing.

Closely allied to this question of war trade was the matter of loans. Our customers, needing billions of dollars worth of goods, were naturally unable to pay for it all spot-cash in gold. They had to have credit or they would have had to shut down on their orders. If this had happened a sad blow would have been dealt to American business, geared to new highs in production. However, the government was prevailed upon to withdraw its opposition to credits (originally announced as part of our policy as a neutral) and American money, put up by American investors, rushed eagerly to finance Allied purchases. This, of course, increased our economic stake in the war. The defeat of the Allies would have meant not only the loss of trade

but the loss of money. Our participation in the conflict became inevitable.

How far does this thesis hold good? It undoubtedly has weight, but it does not give the entire story. It is challenged by those who claim that it was not trade and loans but the violation of our neutral rights by Germany which drew us into the war. The sinking of ships carrying American lives and American goods by German submarines is a bit of well-remembered history. The Germans reached the conclusion that unrestricted submarine warfare was the only course left open to them to keep American supplies from feeding the British and the French while they starved, cut off from the United States by a barrier of floating, camouflaged steel. Accordingly, they decided to sink everything in sight and these tactics so outraged America's “sense of honor,” and America's “neutral rights,” that President Wilson finally resolved to take the United States into the war against Germany.

Complex Causes

To what extent does this explanation satisfy the question of how we got into war? Not completely. Doubt is cast upon it by the charge of the first, or trade and loans, school that had there been no trade there would have been no “neutral rights” to violate, and it is challenged from other sources. There are those who argue that the real cause of war was something more intangible than those stated above. In reality, they say, it was the decline and final disappearance of mental neutrality. From the very beginning the American people were, of course, much interested in the war as a great, dramatic event. The nation was at first fairly impartial, but this impartiality could not long stand the strain of witnessing so tremendous a conflict. The attack upon “little Belgium” could not fail to turn sympathy against Germany, and gradually, unconsciously, we began to hate and wish for the defeat of Germany. By 1917 we were mentally ready and anxious to go to war.

There is still another group which points out that this war-mindedness was something deliberately brought about. From the outset the news from Europe was colored to favor the Allies; many reports for the American public were carefully prepared by the British foreign office. The British cut the cable connecting Germany and the United States. All the Allies did everything possible to poison the minds of Americans against Germany. They were abetted by Americans who formed “National Defense Societies,” and “American Rights Committees,” and who berated President Wilson for his supineness in not having war declared.

Who is to say which of these causes had the most to do with our becoming involved in war in 1917? It is probably more true to say that it was not any single cause but a combination of these and still other causes which engendered our determination to fight.

And having, today, the knowledge of this experience, what steps have we taken to keep the United States at peace in the future? We have a neutrality bill which seeks to mitigate the trade laws and neutral rights causes of war, by prohibiting the sale of munitions and of making loans to warring powers, and by discouraging the travel of belligerent nations. Will this law prove adequate? Will the removal of these causes of war—if, indeed, the law can remove them, and many doubt that it can—suffice to keep us at peace? Only tomorrow can provide the answer.



MOVING INTO THE WEST

From an illustration in “A History of Our Country.”

Among the New Books

Big Government

“Brass Tacks,” by David Cushman Coyle. (Washington, D. C.: National Home Library. 25 cents.)

THE National Home Library Foundation is performing a real service by bringing out books like this at a price which everyone can afford. The organization was established in 1932 “as a cooperative and nonprofit-making organization to promote the reading of good literature among our people, and to make the best books available to greater numbers of our population at a price within the reach of all.”

Mr. Coyle's little book has caused as much stir and discussion as any that has been produced during the depression. The author examines the whole economic scene and prescribes some very strong government-administered medicine to cure our present ills. We will never have economic stability and progress, he says, until we find a way to spend more of the national income and to save less of it. In the early days of our history, we had to save everything possible in order to build factories and railroads and to develop the natural resources of the country. But now that this equipment has been provided, we must find ways of using all that it can produce. If we continue to save too large a part of the national income, investing it in new factories and new equipment, we are going to make matters worse, and we will find that a large percentage of our plant and equipment will remain idle, just as it has been idle since 1929.

In this book, Mr. Coyle points out ways by which more funds could be shifted to

spending and less to saving and investment. The government's taxing power should be used in such a way as to accomplish the result. He does not advocate a redistribution of wealth, but he does believe that “rapid and heavy redistribution of income is essential for business prosperity.”

Big Business

“Industrial America: Its Way of Work and Thought,” by Arthur Pound. (Boston: Little, Brown, and Company. \$2.50.)

BIG business is so frequently the object of public wrath and indignation that it needs a defender, especially in times such as these when criticism has reached new heights. It may well be that many of the attacks are justified by its practices and tendencies, but the trouble is that so much of the criticism heaped upon big business is both unintelligent and uninformed. Anger at some vague abstraction, rather than understanding of actual facts, has motivated most of the attacks.

Mr. Pound undertakes to show that big business is really not the big bad wolf that its critics have made it out to be. By taking 12 of the leading corporations of the country, covering a wide range of economic activities, he tries to bring a clearer understanding of the true picture of the large business companies.

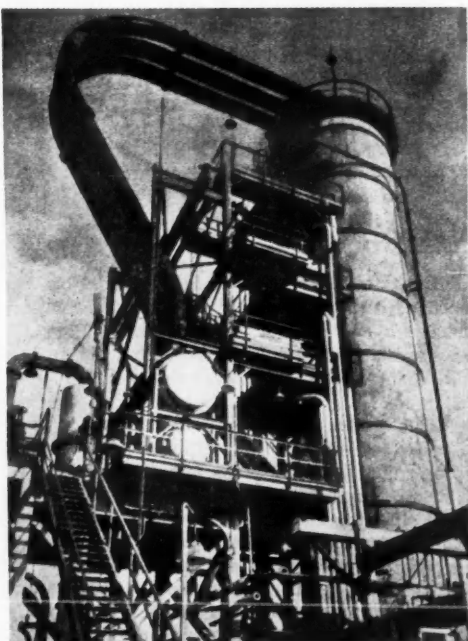
Muzzey's History

“A History of Our Country,” by David Saville Muzzey. (Boston: Ginn and Company. \$2.12.)

DR. MUZZEY has come to occupy a unique position among the American historians. His various textbooks are recognized as standard works on American history, and there is scarcely a person who has gone through high school without having studied one of them. Thus, this latest work, completely rewritten and reorganized, is an important event in the field of textbook writing.

The eminent historian of Columbia has succeeded in keeping his balance in his latest contribution. Where other historians have gone mad on the subject of presenting history in “units” (causing the reader no end of confusion by flitting back and forth through American history with little regard for chronological development), Dr. Muzzey has maintained the unity and orderliness which is so essential to an understanding of history in its true perspective.

It is true, of course, that this latest text is developed along the “unit” line, but the chronological pattern has been maintained intact. Throughout, Dr. Muzzey is aware of the fact that history is meaningless unless its relationship to our present problems can be emphasized, and thus his central purpose is to show how our present culture has been governed by our past heritage.



BIG MACHINES FOR BIG BUSINESS

From an illustration in “Industrial America.”



A program to avoid depression. Can a proper balance between saving and spending be preserved? Can the government's taxing powers be used to maintain a stable economy?

THESE three imaginary students will meet each week on this page to talk things over. The same characters will continue from week to week. We believe that readers of THE AMERICAN OBSERVER will find it interesting to follow these discussions week by week and thus to become acquainted with the three characters. Needless to say, the views expressed on this page are not to be taken as the opinions of the editors of THE AMERICAN OBSERVER.

Charles: I have just read a little book, called "Brass Tacks," written by David Cushman Coyle. It is not a very big book—about 150 pages—and the price is only a quarter. It is one of the books put out by the National Home Library Foundation of Washington, D. C. One can read it in a little while and I do not know where anyone can find more helpful facts and ideas about the present economic situation and the way out of our troubles. In the very first chapter there is something that at first seemed strange to me, but the more I think of it the more sensible it sounds. The author says that the American people save too much. He says that in the early days of our history it was a good thing to save. The country as a whole needed equipment. It needed factories and buildings and machines and other implements with which to produce goods. At that time Benjamin Franklin's advice that people should be frugal and save was very good.

Mary: Well, isn't that still good advice? Isn't it just as bad to be wasteful now as it ever was?

Charles: It may be bad enough to be wasteful, but it is not a bad thing to spend. Conditions are very different from what they were in Franklin's time. Now we have more machinery and equipment than we need. If the people as a whole now go ahead saving and investing, where will their savings be put? Where will their money be invested? This money which is saved will go, as it always has gone, into the expansion of factories, the building of machines, and so on. Production will be increased more and more.

John: But we need to have more and more production if we are to raise our standards of living.

Charles: There is no point in producing more than the people can buy. If those who have incomes are not spending the money for things which they use, but are saving it and having their savings used to build more machines so as to produce more and more goods, after a while more goods will be produced than are being consumed. Then we will have surpluses, factories will close, and there will be a crash. That is the way things have been going.

Mary: What is the remedy for that situation?

Charles: A smaller part of the national income should be saved. A smaller part should be invested. This will mean that productive machinery will increase less rapidly. The production of goods will increase, probably, but not so fast as it has been increasing. But if the people generally are spending the greater proportion of their incomes on goods which they need and which they use, then two things will be happening: a smaller quantity of goods will be produced and a larger quantity will be bought and consumed. If that happens we will have a stable and balanced economy. Production will go up slowly, but at all times everything that is produced will be bought. There will be no surpluses; hence, no crash and no unemployment.

John: But wouldn't it be a bad thing to teach people gen-

erally that they should not save? The average family needs to save. If it puts by money it will tide it over difficult periods. It seems to me that it would be utter folly for a family not to try to have savings.

Charles: For the ordinary family of small means that is true. But these families could not save much if they wanted to. Their incomes are not large enough. Most of the savings which are invested and which are used to enlarge factories and supply more machinery and increase production are the savings of well-to-do and wealthy families. These are the savings which should be cut down.

Mary: How are they to be cut down?

Charles: There are many ways to bring about that result. One suggestion made by Mr. Coyle in the book "Brass Tacks" is that there should be very heavy income and inheritance taxes. These taxes should be levied upon the wealthy and the well-to-do. If a large proportion of the incomes of the wealthy people is taken by the government through taxation, a smaller amount will be available for investment. This will slow down the increase in labor-saving machinery, and that will be a good thing to prevent unemployment and to prevent the creation of surpluses of goods above the amount people can buy.

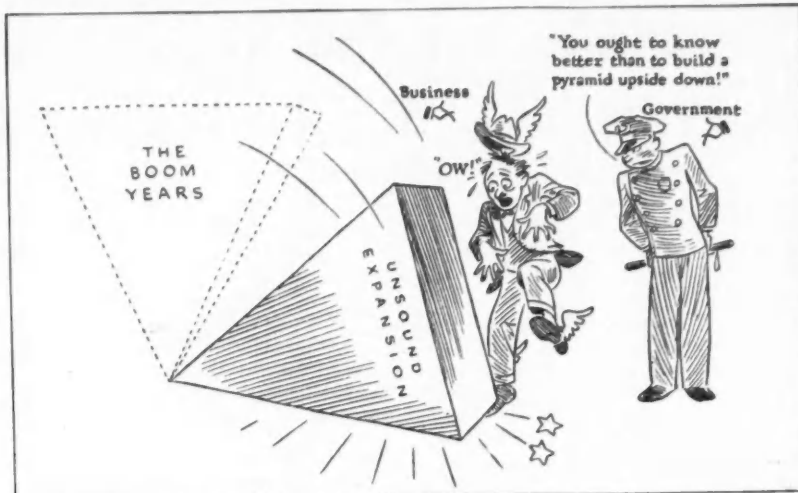
Mary: But what will the government do with the money which it raises in this way?

Charles: It will use it to pay pensions to old people. And this will be a good thing. If everyone over 60 years of age were to get \$50 or so a month from the government, these old people would spend the money. That would create a demand for goods that would help business.

John: Does the book you speak of advocate the Townsend Plan? The ideas you are expressing sound like Townsendism to me.

Charles: Not at all. The Townsend Plan provides that the money used to pay the old-age pensions shall be raised by a tax on goods which are sold. It is a sales tax, and would be paid chiefly by the poor. It would not really do much good for it would take money away from poor people who are young and give it to poor people who are old. The older members of the family might buy more but the younger ones would have to buy less because of the tax on goods. The plan which "Brass Tacks" advocates is the raising of money through a tax on the well-to-do and the wealthy. Money will be taken from people who would otherwise invest it and will be given to people who will spend it for their immediate needs.

John: I can see grave danger in a plan



FROM A DRAWING IN "BUSINESS AND GOVERNMENT," COURTESY UNIVERSITY OF CHICAGO PRESS

of that kind. It would be a serious blow to business. If investments in business are discouraged, production will not increase and the unemployed cannot be given work. What we should try to do is to increase investments even more. The trouble now is that people are holding back. They are afraid to invest their money. If they should save and invest more than they are doing, we would have a lot of factory building and modernization of equipments and that would give work to millions of people now unemployed.

Charles: It might work out all right for a while. We might even have a temporary boom. But suppose that you went ahead and increased the productive equipment and increased the production of goods greatly? Suppose at the same time the purchasing power of the people did not go up in proportion? Then you would have another crash. That is what we want to avoid.

John: But if building and construction and improvements were going on all along the line and more people were employed, the very fact that they were being employed and were getting wages would increase purchasing power. They would spend their wages—wages which they are not now receiving because they are unemployed.

Charles: The trouble is that even now production is increasing faster than purchasing power is increasing. That is not an idle theory. It is a fact. The figures show that both production and profits are rising faster than wages are.

John: I am not sure about those figures. Reports on that point are conflicting.

Charles: I think there is really no doubt about it.

Mary: Isn't it a fact that we ought to be producing all that we can in order that everyone may have plenty?

Charles: Yes. But our progress in that direction must be gradual. There is no point in producing more at any given time than people can buy. The problem is to have the right sort of balance—to keep purchasing power up at the same time that production is going up.

I wish that both of you would read the book, "Brass Tacks." The points I have taken from it for this discussion are but a small part of the author's argument. It is a very interesting and readable, as well as important, book.

The largest telescopic eye in the world recently traveled from Corning, New York, to the optical shop of the California Institute of Technology. There, after it has been further ground and polished, the giant lens will be fitted into the world's largest telescope at the Mount Wilson Observatory. Astronomers will then be able to see deeper into the universe of planets and stars than man has ever been able to see before. But it will be several years before the job is completed.

THOUGHTS AND SMILES

The League of Nations might get along better if it changed the sign over its door to read "The Geneva Dancing and Shadow-boxing Club."
—Philadelphia INQUIRER

We don't know how many radicals are boring from within, but the ones we meet are certainly boring from wherever they happen to be sitting.
—LIFE

So often it's the case that when an enemy offers to bury the hatchet with you, he has an axe to grind.
—Washington POST

The law of the survival of the fittest would be a fine rule if you really knew who was fit to survive.—Paul de Kruif

Governor Landon takes a middle-of-the-road position and he lives in the middle of the country. There is every reason to think that he would make a middling good president.
—Howard Brubaker in NEW YORKER

As we understand the situation, half the people would like to check government spending, and the other half would like to spend government checks.
—LIFE

As a nation we have yet to face squarely the problem of maintaining large numbers of people the cause of whose distress is unacceptable to us.
—Dorothy C. Kahn

The main course at a political banquet always seems to be the roast.
—HARRY HERSEFIELD

A newspaper is a portable screen behind which man hides from the woman who is standing up in a streetcar.
—Los Angeles TIMES

The fact that a train has been robbed is cheering news. In most places they have quit running.
—Atlanta GEORGIAN

The Supreme Court now . . . for all practical purposes, is a continuous constitutional convention.
—Senator George W. Norris

SOMETHING TO THINK ABOUT

1. Why, in your opinion, has the Republican party been the stronger of the two parties ever since the Civil War? From what sections and classes has it derived its greatest strength? Account for this.
2. Which of the candidates prominently mentioned for the nomination do you think would make the greatest appeal to all sections of the country?
3. How will the European situation be affected by the outcome of the French elections?
4. What is England's dilemma in the turn the Ethiopian war has taken?
5. Do you agree with David Cushman Coyle that too much of the national income is saved and not enough spent?
6. If you were to write an essay on the causes of America's entry into the World War, which ones would you list?
7. What are some of the subjects likely to be discussed at the forthcoming conference of the American nations?

PRONUNCIATIONS: Croix de Feu (krah' d' fu'—u as in burn), Badoglio (bah-doh'yo—o as in go), Saavedra Lamas (sah've-drah lah'mas).



FROM A DRAWING IN "JOBS OR THE DOLE," COURTESY UNIVERSITY OF CHICAGO PRESS

Candidates for the Republican Nomination and Their Programs

(Concluded from page 1)

the farmers, as well as the manufacturers, benefited by a protective tariff. This has turned the western farmers toward the Republicans. These farmers had been getting along fairly well until about the period of the World War. Since they had prospered during a period when the Republicans were in control of the government, there seemed to be no reason why they should break away from the party.

So we have the northeastern manufacturing and the middle western farming states falling rather dependently into the Republican column. The Pacific states—Washington, Oregon, and California—have usually lined up the same way. And this has given the Republican party a normal majority. The Democrats broke into it when they elected Grover Cleveland to the presidency by capturing some of the northeastern states. They elected Woodrow Wilson by winning the western farming states temporarily from the Republican fold, and adding these states to the solid Democratic South. But up to the time of the depression, the country could be said to be normally Republican because the Republicans had satisfied manufacturing and farming interests fairly well.

Effects of Depression

Conditions have changed materially since the country fell into depression. The business interests of the Northeast are still predominantly Republican, but their influence over the working people of their communities is not so strong as it once was. In all the industrial centers a large proportion of the workers are out of jobs. Those who are out of work and those who are anxious about their jobs are not so sure as they once were that they can accept the judgment and the leadership of well-to-do businessmen. Many of them have come to feel that they must look to the government for support, or that some rather drastic changes must be made in business and industry. The working people of the Northeast, a fair proportion of whom had always been Democratic, broke away rather completely from the Republicans in 1932 and 1934, and this threw most of the Northeast to the Democrats.

At the same time the farmers became dissatisfied with the Republican party. In spite of the fact that they had tariff protection, they became impoverished after the World War. They demanded help of a different kind from the government, and they did not get help which satisfied them from the Republicans. Hence they turned to the Democrats in 1932 and 1934.

The Republicans must now consider how they can unite the forces which formerly supported them, but which left them four years ago and remained away from the fold two years ago. They cannot do it by featuring the protective tariff. The tariff has ceased to be the dominating issue that it once was. Since the World War, and

particularly since the depression, trade among the nations has broken down from a number of causes. High tariff walls constitute only one of these causes. Even if the tariff were abolished, trade among the nations would now be very difficult. Furthermore, few people are now demanding that tariff walls be broken down. The Democrats are committed to a tariff policy. So the tariff cannot be made the big issue.

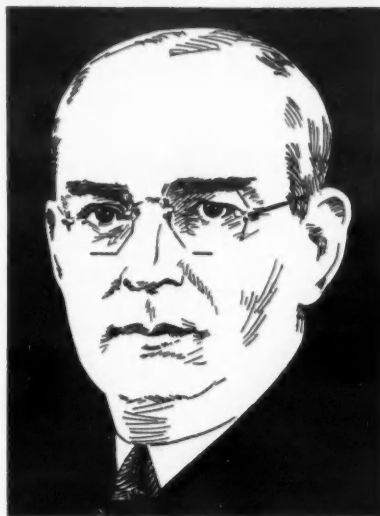
Republican Strategy

What, then, can the Republicans say or do to win back a majority in the industrial manufacturing states of the Northeast, and the farming states of the Middle West? Let us turn now to the candidates to see what issues are being stressed.

First we will consider former President Herbert Hoover, who has not announced himself as a candidate but who has many supporters. He is arguing that if the government would quit spending so much money; if it would quit interfering unnecessarily with business; if it should stop all operations which compete with private industry; should balance the budget and return to the gold standard, private business would be greatly encouraged. Men who are holding their money back would invest it. Construction activities of all kinds would go forward. There would be an increased demand for labor. The unemployed would go back to work, and we would have another period of prosperity.

This argument makes a decided appeal to businessmen and industrial leaders, and probably a majority of them like the Hoover idea. Whether it will appeal to the workers of the Northeast, and particularly to those who are unemployed, will depend upon the extent to which these men have confidence that the Hoover plan would really work. If things should turn out as he says they would, it would be a grand thing for the government to ease up on public works, turn most of the relief work over to the states, and cut down its expenditures. If, however, this were done and if it did not result in greatly increased activities by private business, there would be a serious crash and we would see depression again.

Colonel Knox of Chicago, owner of the *Chicago Daily News*, has a program similar to that of former President Hoover, except that he makes the more pronounced effort to win the support of the western farmers. Colonel Knox, 62 years of age, is a veteran, soldier, and politician. He was one of Theodore Roosevelt's Rough Riders in the Spanish War. He was a major in the World War. He has long been in the newspaper business—first in Michigan, then in New England, and later in Chicago. At one time he ran for the Republican nomination as governor of New Hampshire, but was defeated by John G. Winant, now head of the Social Securities Board. For a while he was business manager of Hearst publications. He has a large organization



ARTHUR VANDENBERG

which is hard at work for his nomination. He calls for reduction of government expenditures, a return to the gold standard, and a balanced budget. But he supports unemployment insurance, and advocates action by the government to keep farm prices up. In the recent Illinois primary he carried Chicago by an overwhelming vote, but lost nearly all of the state outside of Chicago to Senator Borah, who had practically no organization to support him. Though Colonel Knox received a majority of the state's votes, the loss of all his home state, except Chicago, to an outsider is a serious blow to his presidential hopes.

Borah and Landon

Senator Borah will be 71 years old this summer, which is somewhat against him. He was born in Illinois, attended the University of Kansas, practiced law in Kansas for a time, but moved to Idaho 42 years ago. He has been in politics in that state since that time, and has been in the Senate 29 years. Senator Borah has supported about half the New Deal measures, but he opposed the NRA and the AAA, and he criticized the administration for what he considered its disregard of the Constitution. In this respect he lines up with the conservatives. However, he has launched a powerful attack upon the practices of big business. He claims that great corporations have formed combinations and held prices up. He favors strict enforcement of the antitrust laws, so as to break up the big business combinations and thus reduce prices and enlarge the purchasing power of the people. He thinks that if the government should compel all business companies to compete with one another, the public would be served and labor would get a fair deal. Senator Borah's ideas are popular in the West, but it appears that he is weak in the East. In the recent New York primaries he lost overwhelmingly. He opposes a return to the gold standard, and favors old-age pensions of \$60 a month. This renders him unpopular with eastern businessmen.

Governor Landon of Kansas is at present the leading contender for the Republican nomination. His popularity appears to



ALF M. LANDON

be fairly well distributed over the country. The polls taken by the Institute of Public Opinion show Landon leading among Republican voters in every state. In the poll of 100,000 Republican voters in February, 43 per cent voted for Landon. A similar poll taken in March showed 56 per cent for him, 20 per cent for Borah, 14 per cent for Hoover, 5 per cent for Knox, 4 per cent for Vandenberg, and one per cent for Dickinson. Landon appears to be favored by a great many of the conservative party leaders of the East, while at the same time he is popular with the farmers of the West.

Governor Landon, like Senator Borah, accepts a considerable part of the New Deal. He does not emphasize his criticism of the President's farm program, and his speeches indicate that he considers the unemployment situation serious and feels that continued relief by the government is necessary. However, he condemns the administration for wastefulness in relief, and argues that the actual work of distributing the relief should be done by state officials rather than by federal. He insists that the government can continue to relieve the unemployed and yet balance the budget as he himself has balanced the Kansas budget. Efficiency and economy in government, together with farm relief, are the outstanding items in his program.

The Kansas governor, the leader in the field of Republican candidates, is 49 years old. He was born in Pennsylvania, moved to Ohio, and later to Kansas. He attended Kansas University. He went into the oil business and was successful at it.

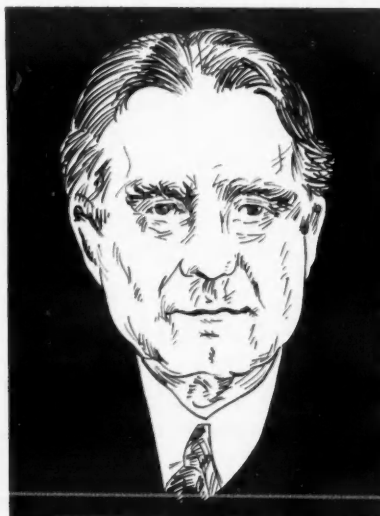
If Deadlock Develops

There is little doubt that Governor Landon will go to the convention with greater strength than any other candidate. He may be powerful enough to receive the nomination on an early ballot, but most of the delegates to the convention will be uninstructed. They will be controlled by the party leaders from the different states. If a deadlock should develop, these leaders will pick a candidate. Senator Borah and former President Hoover are known to be bitterly opposed to each other. Both are opposed to Governor Landon. If they can prevent Landon's nomination, Borah would probably throw his strength to his friend and fellow senator, Vandenberg of Michigan. Mr. Hoover is said to be working quietly for Senator Dickinson of Iowa.

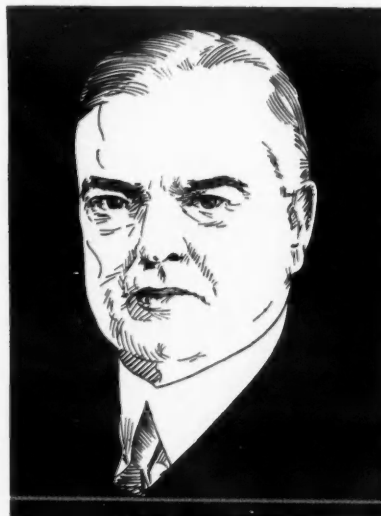
Of one thing we can be certain. The men who control the convention will have in mind the fact that the Republicans, to be successful, must win back the old support which they formerly had in the northeastern states and which they think they have an excellent chance to recapture. They must also win back a large share of the agricultural Middle West in order to have a majority in the electoral college. The general impression is that they will nominate a western man for the presidency—a man who lives in the West but who is popular in the East—and that they will select an eastern man for the vice-presidency. James W. Wadsworth of New York, former senator from that state and now a member of the House of Representatives, is discussed more than anyone else in connection with the vice-presidency.



FRANK KNOX



WILLIAM E. BORAH



HERBERT HOOVER